

OVERVIEW & SCRUTINY COMMITTEE

Minutes of the meeting of the Overview & Scrutiny Committee held on Wednesday, 27 May 2020 via Zoom at 9.30 am

Committee Members Present:	Mr N Dixon (Chairman)	Mr H Blathwayt
	Mrs W Fredericks	Mr P Heinrich
	Mr N Housden	Mr G Mancini-Boyle
	Mr N Pearce	Miss L Shires
	Mr J Toye	Mr A Varley
	Mrs S Bütikofer (Observer)	Mrs A Fitch-Tillett (Observer)
	Ms V Gay (Observer)	Mrs P Grove-Jones (Observer)
	Mr G Hayman (Observer)	Mr R Kershaw (Observer)
	Mr J Rest (Observer)	Mr E Seward (Observer)

Other Members Present:

Mrs S Bütikofer (Observer)	Mrs A Fitch-Tillett (Observer)
Ms V Gay (Observer)	Mrs P Grove-Jones (Observer)
Mr G Hayman (Observer)	Mr R Kershaw (Observer)
Mr J Rest (Observer)	Mr E Seward (Observer)

Officers in Attendance:

Democratic Services and Governance Officer (Scrutiny) (DS&GOS), Chief Executive (CE), Democratic Services Manager (DSM), Head of Legal & Monitoring Officer (HLS), Head of Finance and Asset Management/Section 151 Officer (HFAM) and Head of Economic and Community Development (HECD)

Also in attendance:

1 TO RECEIVE APOLOGIES FOR ABSENCE

Apologies were received from Cllr T Adams and Cllr E Spagnola.

2 SUBSTITUTES

None.

3 PUBLIC QUESTIONS & STATEMENTS

None received.

4 MINUTES

Minutes of the meeting held on 13th March 2020 were approved as a correct record and signed by the Chairman.

5 ITEMS OF URGENT BUSINESS

Two items of urgent business had been approved by the Chairman which included the Covid-19 Recovery Report and the Covid-19 Town Centre Social Distancing Report. It was agreed that these items would be taken subsequent to item 10, in

order to first provide context of the Council's initial response to the crisis.

6 DECLARATIONS OF INTEREST

None declared.

7 PETITIONS FROM MEMBERS OF THE PUBLIC

None received.

8 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE BY A MEMBER

None received.

9 RESPONSES OF THE COUNCIL OR THE CABINET TO THE COMMITTEE'S REPORTS OR RECOMMENDATIONS

None received.

10 NORTH NORFOLK DISTRICT COUNCIL RESPONSE TO THE CORONAVIRUS PANDEMIC

The CE introduced the report and informed Members that it outlined the position of the authority in responding to the Covid-19 Pandemic, both as an employer and service provider. It was reported that a range of support had been made available to communities, such as the Local Coordination Centres (LCCs) that had been established throughout the district, or the Government's small business grant fund, for which payments were in excess of £50m. The CE stated that the Council also continued to operate as part of the wider Norfolk Resilience Forum.

Questions and Discussion

Cllr J Toye sought clarification on why financial support had been given to the contractor responsible for running the Council's leisure centres, but not to other contractors. The CE replied that that the issue could be discussed in more detail during the delegated decisions item, but added that the leisure contractor was a designated partner of the authority, that had been appointed to manage the Council's leisure centres on its behalf. He added that the financial support was in respect to retained payments, and the Council had helped to meet some of these costs.

At the request of the Chairman the CE responded to written questions submitted by Members, the first of which requested data on the number of businesses that had received business grants, and those eligible that had not. The CE reported that to date the Council had paid out grants to 4575 businesses with a total payment of £50.4m, against an estimated 5037 eligible businesses. He added that the remaining eligible businesses were being contacted in a number of ways to promote the availability of the fund. On the Council Tax Hardship Fund, it was stated 3680 households had received assistance, and it was expected that this figure would increase in the coming months as financial circumstances changed. The CE reported that the Council did not have a definitive list of those who were self-employed that might require assistance, though details of the Government's scheme to support this group were available on the Council's website. He added that the discretionary business grant scheme was still in the process of being established,

but would be launched in early June. Cllr S Bütikofer wished to place on record her thanks to officers for delivering of the business grants scheme and the aid given to individuals by the LCCs.

The CE responded to the second written question, on actions that would be taken to reopen businesses related to the leisure and tourism industry as soon as possible, given the district's reliance on these industries. A supplementary question sought clarification on whether a risk management strategy was in place for this process. The CE stated that he expected the two urgent items agreed for discussion would cover these issues in detail, but noted that a Central Government fund had been established to aid the reopening of high streets, from which NNDC had been allocated £93,332. He added that proposals for the reopening of non-essential retail businesses would go to Cabinet within the coming weeks, to allow for a safe reopening from the 15th June.

The next written question sought clarification from Cabinet on whether they had been able to offer local leadership or strategic direction to officers, in the development of policy in response to the Covid-19. Cllr S Bütikofer stated that she had worked closely with officers throughout the crisis, and had attended Gold Command meetings from the beginning, to work with officers on the decisions being made. She added that she had also attended meetings with Norfolk Leaders twice weekly to coordinate the response across the county, and also regularly attended ministerial briefings. The Chairman asked if there were any instances in which the need to exercise influence was required, to which Cllr S Bütikofer replied that this had been the case on issues such as the closure and re-opening of car parks and the pier, or when agreeing financial support packages. She added that involving the leadership in these decisions had been beneficial for a number of Councils, and should be taken into consideration in the future. Cabinet Portfolio Holders added comments on their relevant portfolios and praised officers for working effectively and cooperatively.

The next written question sought clarification of the Leader's and Cabinet's views on progressing the recovery phase of the Council's response to the crisis. Cllr S Bütikofer stated that due to the district's significant reliance on tourism, work on the recovery plan had started in March, to ensure that everything possible could be done to support businesses' and individuals' return to normality as soon as possible. This had included working with Visit North Norfolk and a range of businesses to listen to their concerns and needs. At a county level, Cllr S Bütikofer informed Members that she had been working with the LEP to look at additional measures that could be put in place to help businesses through the challenging times ahead.

The Chairman asked how conflicting priorities were being balanced, such as those between the tourism sector and vulnerable residents. Cllr S Bütikofer replied that this was a very difficult issue, and that careful consideration was being used to balance the needs of different groups. She added that at this stage, the key was to make very gradual changes and continue to closely monitor the situation. Cllr P Heinrich stated that it was important to remember that the tourism economy was crucial to North Norfolk, and the Council had to listen carefully to all sides to get it moving again as safely and as quickly as possible. Cllr P Grove-Jones stated that the Council would have to be prepared for a second spike, and that lifeguard cover for the district's beaches had to be given careful consideration. Cllr S Bütikofer replied that beach patrols were being considered in lieu of reduced lifeguards, but the Council had to be clear that lifeguard numbers would be limited.

Cllr H Blathwayt asked if any contingency plans were in place, should a local spike

arise. The CE replied that mitigation measures for a potential second spike had been given significant consideration in partnership with other members of the Norfolk Resilience Forum, and added that Norfolk had been selected as one of eleven pilot areas in England for local outbreak control, which would include local lockdown arrangements.

Cllr G Perry-Warnes asked whether any consideration had been given to allowing additional outside space to businesses, to allow them to operate with safer social distancing measures in place. The CE replied that this was being considered and would be addressed as part of the urgent items.

Cllr Housden raised concerns that he felt a second spike was imminent, and public convenience closures had caused issues at popular destinations. Cllr W Fredericks asked how the Council could ensure people's safety when using its public conveniences. Cllr S Bütikofer replied that there were a number of issues that required careful consideration before Council's public conveniences could be fully reopened. She referred to the need for an increased cleaning regime, checks for legionella, and checks to ensure that the toilets were safe and ready to be used. Cllr S Bütikofer added that decisions on opening the Council's public conveniences were reviewed at every Gold Command meeting. Cllr H Blathwayt asked if consideration could be given to roping off urinals at the Sea Palling public conveniences, in order to promote safer use of enclosed stall toilets. The CE agreed that this could be taken into consideration and added that the closure of restaurants, cafes and public houses had placed greater pressure on the Council's public conveniences, which had influenced the decision to allow a limited number of facilities to be reopened.

The final written question focused on activity levels at the 10 LCCs that had been established as part of the Council's response to the Pandemic. The CE replied that during the first seven weeks of operations there were 1288 requests for assistance, and from Monday 18th May when the number of LCCs had been reduced to four, there had been a further 86 requests for assistance. The CE referred to points raised by Cllr T Adams regarding the difficulties that shielded residents had faced in getting essential supplies, and stated that throughout the past 10 weeks the LCCs had helped to alleviate these issues, though online shopping capacity had now increased significantly. It was noted that the LCCs had worked well with voluntary community groups, and local businesses had been helpful in allowing residents to place telephone orders and in some cases provide a delivery service. The CE stated that one of the biggest challenges had been addressing the difficulties residents faced with paying for food, in which case the Council had arranged food parcels that were supplementary to those supplied by Central Government. He added that the Council had also supported the Norfolk Foodbank, by means of a financial contribution. In terms of ongoing support, the CE stated that NNDC staff were currently delivering between 700-900 prescriptions on a weekly basis to vulnerable and shielding households, and consideration was needed as to how this responsibility would revert back to the dispensaries as the Council moved into the recovery phase.

RESOLVED

To note the report.

11 ITEM OF URGENT BUSINESS: NNDC COVID-19 RECOVERY

The CE introduced the report and stated that circumstances had continued to evolve rapidly since the lockdown began in March. It was noted that the report covered all issues that were being considered by officers for reopening, and the CE added that

officers had also established a task and finish group to consider how services could return to normal, including when the eighty percent staff remote working could return to the office. It was expected that the task and finish group would report on their initial findings shortly, which would include changes to policy and operations to allow some return to normality.

Questions and Discussion

The CE stated that the Council's contractors were being given consideration, such as those managing the pier facilities, and the leisure contractor that had been previously mentioned. It was noted that a full waste collection service had been maintained throughout the lockdown, which was commendable given the fact that the contract had begun on the 6th April. Work at the new Sheringham Leisure Centre was noted to have recommenced with social distancing precautions in place.

The CE informed Members that a supplementary item that had been added to the report covered the reduction in available lifeguards. It was noted that the RNLI had outlined their position as being able to provide a reduced service at Sea Palling from 30th May, as one of only sixteen locations around the country. There were also plans to restore further services from 20th June in Cromer, and 4th July in Wells. The CE noted that the RNLI had historically provided services for the summer season at 240 locations nationally, though this year it would only be 70 locations under the current circumstances.

Cllr G Mancini-Boyle stated that the Council was suffering financially, losing up to forty percent of its income, and suggested that the Council should be actively lobbying local MPs and the Government for greater financial support through the crisis. Cllr S Bütikofer replied that the Council was actively lobbying local MPs and the Government on these issues, which included weekly calls with the two MPs covering the district. In addition, it was noted that the Council continued with all efforts to lobby for additional funding, in order to meet the shortfall caused by the crisis.

RESOLVED

To note the report.

12 URGENT ITEM: COVID-19 TOWN CENTRE SOCIAL DISTANCING

The CE introduced the report and informed Members that it was focused on how to safely reopen the district's high streets, resorts and market town's for business, whilst creating safe spaces which residents and tourists would be confident to visit. The CE stated that as a result of a Government announcement, non-essential retail businesses would be permitted to open from 15th June, and planning had already begun in that regard. The CE reported that on the 9th May, the Secretary of State for Transport announced a travel fund of £250m to support social distancing, increased walking and cycling within town and city centres, to account for reduced use of public transport. He added that consideration had already been given to how this could be achieved in North Norfolk, and that Parish and Town Council's had been contacted for input, as well as local businesses.

The CE informed Members that the report included initial proposals such as the potential widening of narrow pavement areas by removing on street parking and consideration of one-way systems in town centres amongst others. It was reported that once the broad proposals outlined in the report had been refined, it was hoped

that implementation could take place from the week commencing 15th June.

Questions and Discussion

Restaurants and take away food premises were discussed, and it was noted that the Council was considering ways it could utilise open spaces for outside eating, such as the promenades or parks. Cllr P Grove-Jones stated that many open spaces were linked to playgrounds and play areas, which would not be open to the public, hence this would require careful consideration and planning. Cllr G Perry-Warnes asked whether there would be any licensing issues for introducing new outside eating areas for restaurants, and if so, could anything be done to mitigate these issues. The CE replied that these issues would be taken into consideration alongside Government guidance. He added that the LGA had encouraged authorities to look as widely and as flexibly as possible in terms of their regulatory functions, in order to adequately respond to the recovery from Covid-19.

Beach use was discussed and it was reported that in some areas such as Mundesley, access would have to be restricted to a one-way system due to narrow access ramps.

Cllr L Shires raised the issue of the Council's communications, and stated that since the outbreak of the pandemic, she felt that they had vastly improved in a number of ways. She asked whether the communications plan could be shared amongst Members to help communicate the Council's messages. The CE thanked the Councillor for her comments, and stated that he would pass on the request to the Communicants Manager.

Cllr J Toye referred to the social distancing considerations, and suggested that he would have liked to have seen more reference to the possibility of road closures, to ensure safety and help to facilitate social distancing measures when walking or cycling. Cllr G Hayman reiterated that Covid-19 would be with us for the foreseeable future, and as a result questioned whether pedestrianisation of some areas should be reconsidered more thoroughly. He added that this would allow more space for local businesses, and also make it easier to maintain social distancing, given that many people would now stay within the UK for holidays as opposed to going abroad.

Cllr N Pearce suggested that re-opening car boot sales should be given consideration, as they allowed for open-air socially distanced shopping to take place.

Cllr N Housden stated that in terms of publicity going forward, the Council had to be very pro-active to ensure that visitors were fully aware of the district's social distancing requirements. He added that additional visitors could likely be expected as a result of a decline in overseas holidays, and therefore a significant education campaign would be needed to ensure safety in the district.

Cllr G Mancini-Boyle referred to licensing proposals he had raised previously, and suggested that he would be happy to email these to the CE for consideration.

RESOLVED

To note the report.

13 COVID-19 FINANCIAL IMPLICATIONS

The HFAM introduced the report and informed Members that he would provide a

brief presentation to explain the current financial implications of Covid-19 for the Council. It was reported that at present, the Council was still facing a £1m deficit, despite having received additional funding of approximately £1.1m from Central Government. As a result, the HFAM stated that it was crucial to continue to lobby Government and MPs for further financial support. It was noted that prior to the Pandemic, a deficit of approximately £1.8m had already been predicted for the 2021/22 financial year, which suggested that budget pressures would continue to increase. The HFAM broke down funding pressures into specific categories and it was reported that cost pressures equated to a loss of £429k, income losses of approximately £1.09m, investment losses of £250k and funding stream losses of £223k. He added that the Council's reserves were already forecast to reduce by fifty percent over the next four years, and should always be considered a last resort for balancing budgets. It was suggested that priority should be given to reallocating funding within the current year's budget to address the deficit. The HFAM referred to the MTFS and stated that it had been approved in a very different financial climate, and as a result, there would be a significant impact on the medium term assumptions that would require substantial changes to resolve. He added that a further Committee report would be presented in the coming months that would focus on reprioritizing the budget, opportunities for efficiency savings, and income generation in the current financial year.

Questions and Discussion

The Chairman referred to written questions submitted in advance of the meeting, the first of which asked for clarification of the forecast deficit for the current year, and the years covered by the MTFP. The HFAM replied that whilst the current forecast deficit was approximately £2m, additional funding from Central Government meant that the net deficit had now been reduced to approximately £1m. He added that the forecast included a number of assumptions about when the economy would begin to recover, and this would have a knock-on impact that was difficult to predict. It was noted that Section 31 grants from Central Government had been helpful guaranteeing the Council's cash flow position in terms of business rates income, though uncertainties still remained that made it very difficult to predict future deficits.

The Chairman referred to his second written question which asked for officer's advice on the most prudent means for closing the budget gap, and whether the recommended level of the general reserve would change as a result of the crisis. The HFAM replied that in terms of closing the budget gap, the key message was that reserves should always be a last resort, as they could only be used once. He added that focus should be placed on reallocating and reprioritising the existing budget, making savings where possible, and trying to generate additional income, though it would be extremely difficult under the current circumstances. In regards to the question on the level of the general reserve, speaking as the S151 Officer, the HFAM stated that this was currently set at £1.9m, though this could change if difficulties in balancing the budget persisted. He added that at present he still considered the level of reserves to be adequate.

Cllr N Housden asked if there was any feedback from Central Government on whether there would be increased funding to support specific areas if local lockdowns were to be implemented. The HFAM replied that he had not heard any suggestion that further funding would be made available, and this was why lobbying had to continue. Cllr S Bütikofer noted that the potential for local lockdowns was only just emerging, and she would try to get more information as soon as possible. Cllr E Seward stated the identifying the financial position of the Council was still very much a work in progress at present, due to the high level of uncertainties. He added that

ideally the Council would be able to maintain all of its key frontline services, and this would require looking for savings, as well as continuing to lobby Government for additional funding, and potentially using reserves if absolutely necessary. It was reported that the financial year had begun with a surplus of approximately £2m, which had been placed into a delivery plan reserve, though in light of the situation, it was possible that the use of these funds could be revisited. Cllr E Seward informed Members that Government had stated that there would be a delay to planned funding reviews, and once the outcomes of these were known, some financial pressure could be alleviated. He added that at present he remained fairly relaxed, and suggested that the Council had to hold its nerve to see how the situation would unfold.

Cllr P Heinrich asked whether any figures were available on the overall loss to the local economy, or projections on the impact should the lockdown continue throughout the peak tourism season. The HFAM replied that he was not aware of any high level review at present, though a business survey had just been completed, with the results were now being reviewed. The HECD stated that the Council had commissioned a business survey, and whilst the results had not yet been fully analysed, the survey was intended to identify businesses' expectations, the impact of the crisis and predictions for recovery. He added that a wider survey of the region had been commissioned on the visitor economy, to which there had been a good level of response from North Norfolk businesses. A further district-wide analysis of the financial impact on businesses and tourism was expected shortly, and a second survey on the visitor economy was open until the end of May. The HECD stated that the results and analysis of these surveys would be shared in due course.

RESOLVED

To note the report.

14 OFFICER DELEGATED DECISIONS (MARCH TO MAY 2020)

The CE introduced the report and informed Members that it was a record of the decisions that had been taken under delegated authority since the start of the crisis.

Questions and Discussion

The Chairman referred to a written question he had submitted on a grant payment made to the Council's leisure contractor, and asked for the value of the grant, whether it was a one-time payment, and whether the contractor had taken advantage of the Government's furlough scheme or any other support grants. Cllr V Gay replied that the leisure facilities were at the heart of quality of life in North Norfolk, and were a significant part of the Council's work for the community. She added that the grant sum was £36,257.40 and this had been given in April, May and would likely be given in June. It was noted that the grant was not a one-off payment, and it was likely that the contractor would request additional support on an ongoing basis, as a result of contractual arrangements. Cllr V Gay stated that the contractor had furloughed staff, and she understood that only two full-time staff were being paid in North Norfolk. She added that she was not aware of any additional grants that had been received by the contractor, though Sport England had provided approximately £2k funding to the Council, to undertake a review of the impact of the crisis on the sector. The Chairman sought clarification on whether the £36k was a monthly payment, which was confirmed by Cllr V Gay.

RESOLVED

To note the report.

15 THE CABINET WORK PROGRAMME

The DS&GOS informed Members that the Cabinet Work Programme remained relatively clear for the month of June as statutory financial reports had been delayed by the crisis. As a result, it remained unclear at this stage when the next Cabinet meeting would take place, and what business would come forward. He reassured Members that they would be notified immediately once a future meeting date was agreed.

RESOLVED

To note the Cabinet Work Programme.

16 OVERVIEW & SCRUTINY WORK PROGRAMME AND UPDATE

As with the Cabinet Work Programme, the DS&GOS noted that the O&S Work Programme remained relatively clear in anticipation of Covid related reports coming forward. Similarly the statutory financial reports were also delayed meaning that at present, it was unclear when the next meeting would take place. Members were reassured that they would be notified as soon as possible once the next meeting date was agreed.

RESOLVED

To note the Overview & Scrutiny Work Programme.

17 EXCLUSION OF THE PRESS AND PUBLIC

The meeting ended at 11.55am

Chairman